

## Occupiers

# Smoke free zone

Companies are adopting a new, more flexible approach to office design to attract younger, tech-savvy employees, with the added benefit of also cutting costs. David Quinn reports



REX FEATURES

To watch an episode of the hit US TV series *Mad Men* is to get a sense of how offices, as much as the staff who occupy them, have changed since the 1960s.

Advertising executive Don Draper and his colleagues, including Joan Holloway (pictured above), operate in a world where the trappings of promotion involve a huge mahogany desk, a high-backed leather chair and a door with your name on it.

Since the 1990s, the idea of fetishising the prized corner office has become as outdated as Draper's habit of drinking a large Scotch before lunch. Now, today's generation of employees is helping to spearhead even greater change.

New recruits have been brought up with laptops, mobile phones and the web – particularly social networking sites such as Facebook. Consequently, they are

keen to approach their working lives in a way that seamlessly supports portable, flexible, wireless technology and more open, collaborative working methods.

Whereas this sort of approach might traditionally have been restricted to cutting-edge businesses in the creative sector, it is increasingly being adopted by occupiers in the professional sector.

"It's a Generation Y thing," says Erol Aziz, head of space management at accountancy firm KPMG, in reference to the tech-savvy demographic grouping born during the 1980s.

"The infrastructure of the office is having to modify itself to appeal to the work ethic of younger people," he adds. "People are not attracted to the idea of an office desk – it is more like a library or a student campus."

Such trends were kept in mind when KPMG approached the interior design for

its offices at 15 Canada Square, E14, where it occupies 400,000 sq ft.

Angela Sasso, interiors director at Swanke Hayden Connell Architects, which worked on the KPMG fit-out, says: "Today, people who are being recruited in their 20s have a very collegiate experience of working. There's a sense of keeping that and moving it into the corporate sphere. Whereas before we might have had to work to convince an occupier to do it, there's now an expectation that it should be done this way."

The adoption of new technology is a key driver of change. Aziz says: "Today's workforce communicates in many ways simultaneously – phone, SMS, instant messaging, email, Twitter, video calls – using a range of platforms, from handheld devices to desktops. They thrive on freedom of movement around their world and resist being bound by



Meeting pod 1 and phone pod 3 at The Ark. Campus vibe at KPMG 2. Flexible working saved space at Yell 4

traditional workplace infrastructure.”  
 Richard Kauntze, chief executive of the British Council for Offices, agrees that significant change is afoot as a result of digital and web-based innovation. “The speed at which wireless technology has been adopted by occupiers is quite staggering,” he says, “and, if combined with innovations such as cloud computing, has the potential to revolutionise our perception of what makes up an office.”

“With no need for cables or servers, our basic needs could be met by just a plug and a kettle, which has meant that spaces never

before considered as workplaces are now viable economically as offices.”

Since the 1990s, talk of hot-desking and hotelling has been rife, but these ideas were based on the idea of maintaining the desk as a defined location from which the vast majority of tasks must be based. The move towards collaborative, technology-enabled work spaces – driven especially by the growth in wireless internet and phone systems – allows people to move around more freely and means that not being allocated a permanent desk is no longer considered a significant issue for employees.

Aziz sums up the change in simple terms: “The office is a resource, rather than a territory.”

Anne Kuzyk, design director at architect Aukett Fitzroy

Robinson, worked with GE Capital on the fit-out of space at The Ark in Hammersmith, W6. She believes that people now tend to connect with people, rather than workstations connecting with workstations. “The rise of collaborative space allows teams to go anywhere and work,” she says.

GE occupies 93,000 sq ft at The Ark, having vacated offices at Berkeley Street and Agar Street, both W1. It will eventually fill 123,000 sq ft in the building, following the relocation of its remaining central London office at Berkeley Square in 2012.

Harri Singh, real estate and facility leader for GE Capital, says that the company, in conjunction with office furniture maker Steelcase, conducted a detailed survey of staff to find out approaches to everyday working before settling on a design for the space. A key finding was the tendency towards working in pairs or small groups.

“We realised we needed lots of smaller meeting rooms, where people can go for a quick chat,” says Singh.

The upshot is a space that is based

“The speed at which wireless technology has been adopted is staggering. It has the potential to revolutionise our perception of what makes up an office” **Richard Kauntze, BCO**



## THE LANDLORD'S VIEW

Landlords and developers are having to adapt to the changing demands of occupiers.

James Raven, development director at business park specialist Goodman, says: "Open-plan office formats have led to an increased need for larger floorplates, which are hard to come by in urban locations." He believes that the trend could benefit out-of-town locations, where more flexible designs tend to be possible.

Gerald Kaye, development director at Helical Bar, adds: "The desire to have a happy workforce is perhaps more

important now than ever before, and therefore good facilities and amenities, either within the building itself or in close proximity, are high on priority lists."

Developers also note the desire for a more flexible approach to leases. Kaye says that Helical Bar is offering this option at some of its London schemes.

He says: "Even in larger companies, requirements are shifting and changing on a much quicker basis. Letting strategies need to reflect this and be able to adapt to the needs of the occupiers."

around so-called "i-space", including desks and offices, on the outside of the building, and "we-space", with meeting rooms and places for joint working, towards the central core. These are linked by administrative areas and sound-proofed phone pods.

Singh believes that GE has created "a space where people collaborate formally and informally, and it allows them to be productive".

For occupiers, there are a couple of advantages to the Generation Y approach. First, the office space itself is increasingly becoming a selling point in the recruitment of the best staff.

"Newer people talk more about how

technology works, but veteran employees also have an expectation of the sort of space they want to work in," says Singh.

Second, it allows companies to occupy space more efficiently, cutting down on overheads. At KPMG, for example, 56% of staff are allocated a full-time desk. Aziz says that this approach "improves the workplace environment, increases the efficiency of the office and ultimately impacts on the size of the portfolio and our approach to real estate strategy".

These benefits were particularly apparent at business search engine firm Yell, which moved into offices at One Reading Central in Reading last autumn, advised by Lambert Smith Hampton.

Yell's head of property, Simon Taylor, says: "The move to more flexible working took us from 225,000 sq ft in our four old buildings to around 155,000 sq ft in our new one."

He believes that the adoption of a more modern approach, including the adoption of wireless working and "thin client" technology – where computer data is stored on an offsite server farm – feeds into the company's image and helps with recruitment. He says: "We aim to attract people out of London and have to provide for younger, tech-savvy people. We have catapulted ourselves into the new media space as a business and our office space says a lot about us and the way the company direction is moving."

This, perhaps, is the key change in the philosophy of office space since the 1960s heyday portrayed in *Mad Men*.

Traditionally, the most beautiful aspects of the office space appealed to the ego and status of the individual worker – particularly at a senior or mid-management level. Conversely, today's innovations in high-spec, high-tech design are about team-working and promoting intra-company collaboration, reflecting the aspirations and approaches of a new generation of employees.

The change is already afoot at a number of major occupiers and is likely to permeate a much broader mass of companies as the Facebook generation takes grip.